

MEMORANDUM

TO: All Charter School Sponsors and Organizers

FROM: Division of Educational Options, Indiana Department of Education

RE: Charter Schools and Annual Financial Reports (as required by IC 5-3-1-3)

DATE: May 21, 2004

It has come to our attention that there is some question regarding whether or not a charter school must complete an Annual **Financial** Report as required by Indiana Code 5-3-1-3.

After consulting with Patty Bond, Director of the Division of School Finance at the Indiana Department of Education, and Chuck Nemeth, Supervisor, Indiana State Board of Accounts, it is evident that because the section of Indiana Code that requires schools to complete Annual **Financial** Reports (IC 5-3-1-3) is not listed as an applicable rule or statute governing charter schools in IC 20-5.5-8-5, charter schools are exempt from completing these reports.

As always, charter schools must continue to submit Form 9 (Biannual Financial Report) reports. In addition, in accordance with IC 20-5.5-8-5, charter schools are required to comply with audits by the State Board of Accounts and are subject to any requests made by the State Board of Accounts with regards to these audits.

Finally, charter schools are also required to publish an Annual **Performance** Report (IC 20-5.5-9-6) that provides information required under IC 20-1-21.

Any further questions should be directed to Kimb Stewart, Charter Schools Consultant, at 317-234-2137 or Molly Chamberlin, Director, Educational Options Division, at 317-232-0579.

cc: Patty Bond, Director, Division of School Finance
Chuck Nemeth, Supervisor, Indiana State Board of Accounts
Linda Miller, Assistant Superintendent, Community Relations and Special Populations